

COMMISSIONERS APPROVAL

GRANDSTAFF *cg*

ROKOSCH *RA*

THOMPSON *AT*

CHILCOTT *Y*

DRISCOLL *LD*

Present.....Commissioner Carlotta Grandstaff,  
Commissioner Alan Thompson, Commissioner Greg Chilcott and Commissioner  
Kathleen Driscoll

Date.....October 27, 2008

Minutes: Beth Perkins

► The Board met for the following administrative matters:

- Decision on election of SRS monies for 2008-2011: **Commissioner Thompson made a motion to allocate 15% to the RAC for Title Two option. Commissioner Chilcott seconded the motion and all voted 'aye'.**
- Decision on support of emergency independence pledge: Commissioner Grandstaff read the email submitted by Alan Zackheim to the Board. Commissioner Chilcott stated he would like to have more information prior to a decision. Commissioner Thompson stated the Secretary of Pimco sent an email regarding open land and geothermal heat sources.
- Resolutions for Budget Transfers FY 08: **Commissioner Chilcott made a motion to adopt the following budget transfers for FY 2008:**
  - Resolution No. 2293 – Bio-Terrorism grant monies
  - Resolution No. 2294 – General Fund for increase in taxes
  - Resolution No. 2295 – General Fund for Clerk & Recorder
  - Resolution No. 2296 - Planning Fund for County Planning
  - Resolution No. 2297 – Junk Vehicle for Environmental Health
  - Resolution No. 2298 – General Fund for Treasurer
  - Resolution No. 2299 - Junk Vehicle for Environmental Health
  - Resolution No. 2300 – General Fund for Environmental Health
  - Resolution No. 2301 - Planning Fund for County Planning
  - Resolution No. 2302 - Planning Fund for County Planning
  - Resolution No. 2303 – General Fund for County Attorney

- Resolution No. 2304 - Drug Forfeiture fund to County Attorney
- Resolution No. 2305 – Roof on Admin Building
- Resolution No. 2306 – General Fund for Clerk & Recorder
- Resolution No. 2307 – General Fund for Extension Office
- Resolution No. 2308 – CDBG Admin fee paid to Ravalli County
- Resolution No. 2309 – Intercap loan proceeds for purchase of dust abatement truck for Road Dept.
- Resolution No. 2310 – Unanticipated Revenue from Weed Dept
- Resolution No. 2311 – Weed Grant Money
- Resolution No. 2312 – General Fund for County Attorney
- Resolution No. 2313 – General Funds for Various Departments
- Resolution No. 2314 - Year end transfers for various funds
- Resolution No. 2315 – Year end transfers for Public Safety Fund
- Resolution No. 2316 – Year end transfers for Planning Fund
- Resolution No. 2317 – Kootenai Creek Bridge
- Resolution No. 2318 – Money to CIP per Junk Vehicle Audit
- Resolution No. 2319 – Year end transfers for various funds
- Resolution No. 2320 - Year end transfers for various funds

**Commissioner Thompson seconded the motion and all voted ‘aye’.**

► The Board met for a discussion on a public safety levy with Sheriff Hoffman.

Sheriff Hoffman stated there is a distinct need to fund public safety as proven this particular fiscal year. He stated he has contacted Steven Kent who operates a group called Results. He stated the group has helped several counties to determine exactly what the needs are based on public demands and then run a successful campaign for long term funding. Commissioner Grandstaff asked what the process would be. Sheriff Hoffman replied Steven would visit the County and give a presentation of the program, then help to take action on a campaign. It is a separate entity in touch with the community.

Commissioner Driscoll questioned how the PILT funding would affect those needs. She asked Sheriff Hoffman if he would be agreeable to an efficiency audit. Sheriff Hoffman replied he believes this is what Results does. He replied he would be open to an audit as long as the person conducting the audit has a clear understanding of county operations. Commissioner Chilcott stated he is hesitant using someone based in Oregon. Sheriff Hoffman stated it would be better if someone had experience in a busier county to be effective. Further discussion followed regarding other out of town experts.

Commissioner Thompson stated in the past the previous Board met with experts regarding the Open Lands Bond to determine if it would pass. To his understanding, this group Results would do the same thing. Commissioner Driscoll asked Sheriff Hoffman if Results could do both the polling and the efficiency audit. Sheriff Hoffman replied he does believe they do both and are familiar with public safety budgets. Commissioner

Chilcott suggested when PILT funding comes in it should be put into Capital Reserves. He stated asking citizens to dip into their pockets during this tough economic time is fruitless. He suggested using some of PILT to fund Results. Sheriff Hoffman stated he is not going to get any legislative support with the State picking up any unfunded mandates. He has heard many positive comments of the performance of the Sheriff's Office from the citizens and what is needed. He stated they have to show the need to the citizens. He believes PILT is going to be an issue in the future with the public safety budget. Commissioner Chilcott stated the Board was in agreement with the phase out over a five year period. Sheriff Hoffman explained the dangers of soft money in a public safety line item. Discussion followed regarding the last failed levy and it being so close to regular election.

Sheriff Hoffman stated information needs to be collected and trust with the public needs to be rebuilt before any campaigning can begin for a new levy. He discussed unanticipated revenue with the fire seasons for a possible funding option. Discussion followed regarding unfunded mandates by the State and how the County could get the State to fund them. Sheriff Hoffman stated there are a lot of things that have to fall into place before moving forward.

Commissioner Driscoll stated the State is battenning down on the funding. She stated everyone is worried about the economy. Sheriff Hoffman stated the problem is not new. The growth counties have been struggling for a long time. Commissioner Chilcott stated he does not agree the State is speaking the same language as the County. He stated the County does not walk into the next fiscal year with surplus. He stated it is frustrating the State keeps exercising their authority to not extend funds to the County for State costs. Further discussion followed regarding the need for an efficiency audit to provide fact for spending.

Roger DeHaan stated there are four parts of this proposed levy. He stated three have been discussed and the fourth is the large perception of new development creating an additional need for public safety.

Commissioner Grandstaff explained the portion of collected residential property taxes that actually stay in the County. She quoted a Gallatin County study, which found that for every dollar collected it costs \$1.45 to provide public services. She stated there needs to be a solid funding source found for public safety. Commissioner Driscoll discussed the prior budget adoption and the removal of soft funding from the Sheriff's Office.

Sheriff Hoffman stated he will contact Steven Kent from Results and get additional information prior to the next discussion. He stated a solution needs to be found for funding. After discussion, it was decided to have Sheriff Hoffman schedule a time for Results to come in and give a presentation.

► The Board met for discussion and decision on Subdivision Review Criteria – Effects on Local Services – School Districts. Present were Civil Counsel Karen Mahar, Interim Planner John Lavey, Planner Tristan Riddell and several citizens.

Tristan reviewed an agenda (See Attached) and gave an update to the Board. He stated the GIS map is still being created. He stated the Planning Board rules are still being reviewed by Civil Counsel. Once they are received, he will schedule a meeting to review them with the Board. Tristan gave an overview of the previous meeting with the Fire Districts and what had been requested for subdivision mitigation. John added each district would have to provide their own assessment for a basis of requested mitigation.

Tristan gave an overview of the current mitigation for the school districts. He stated the old standard was \$250 per new lot and has since jumped to \$500 per lot and now it is based on information provided by Superintendent Ernie Jean. He then discussed Corvallis School District completing their study for a basis of impact fees. Tristan explained the mitigation for school districts now including bus turnouts and shelters and possible walk ways. Commissioner Grandstaff gave an explanation to the audience of how the mitigation fees are derived and then disbursed.

Commissioner Thompson gave a review of SRS funding and how it goes towards school transportation. He gave an overview of previous school mitigation received through subdivisions. He stated impact fees can only be used for capital expenditures and mitigation received is for non-capital expenditures. He stated the State organization is trying to change the unanimous vote for impact fees to a majority vote. Then an individual assessment for each school district needs to be completed. He stated there are two negatives with impact fees: it only can be used for capital and only for new development.

Commissioner Driscoll stated the mitigation has increased over the past 6 months due to the data provided by Superintendent Ernie Jean. The impact fee law is a “clunky” law. It needs to be cleaned up before working with it. She stated the Board is currently working within the law to implement impact fees.

Commissioner Grandstaff stated the Board is now requesting the mitigation be paid upon approval of final plat rather than upon first conveyance. The developers have been cooperative.

Commissioner Chilcott stated there are two different fees being discussed: impact fees and mitigation fees. There are two different authorities as well. He stated a subdivision cannot be denied solely based upon education mitigation. He discussed the mitigation being agreed upon with the Board, Developer and the School District.

Ernie Jean asked what are the mechanics currently in place for collection of mitigation fees and how it is paid to the schools. Tristan replied it goes directly to the school districts and then the districts notify the Planning Department via mail. Tonia Bloom stated in the past, in unincorporated areas, a voluntary fee may or may not have been

collected. She stated there is no difference of what can be done with these funds if they are impact fees or mitigation fees. It cannot go into the General Fund for the schools. John asked for clarification if the mitigation fees are in reality defacto impact fees. Tonia replied yes. Ernie Jean stated that is not correct. The schools can spend the money in current budget year. Commissioner Chilcott stated the Board has statutory requirements for collecting mitigation fees. Impact fees are very clear. The mitigation fees collected are outside impact fees. It is arguable how the fees should be expended. Tonia stated to her understanding, mitigation allows developers to pay fees to the schools. She stated it goes into the building fund. John Meakin questioned the part of the law Tonia is referring to. Tonia replied the budgets are set by the State. It is formula driven and there is not a lot of discretion.

Commissioner Grandstaff stated there are two issues: where to put the fees and notification of how much was collected. John Lavey asked how the school district is contacted. Jake Kammerer replied every title company collects the fees and they go to the schools. He stated if the school is not receiving them then it is an issue with the title companies. Tonia stated the fees have always gone into the building fund and believes it is required by administrative rules. Jake stated the Planning Department requests a receipt of the fees when there are paid. John Lavey stated the question is not the receipt but who is getting the fees. Commissioner Chilcott stated within the last few months, fees are to be collected prior to final plat approval as a condition of subdivision approval. Perhaps the fees could be budgeted for the current year. John Lavey suggested continuing asking for the mitigation fees.

Nick Hallet discussed developers requesting foot paths in lieu of mitigation fees. He stated the school districts have no legal status to request anything. Commissioner Grandstaff reviewed the negotiations during subdivision review for the fees. Commissioner Thompson stated there have been other negotiations in the past with developers other than money.

Corrine stated the problem is impacts fees are law, mitigation fees are voluntary. She expressed her concerns with a developer pulling voluntary mitigation at the last minute. Commissioner Grandstaff stated once it is negotiated, they cannot take it back or the final plat cannot be filed. Jake Kammerer expressed his concern with the tracking of the fee paid. He stated there needs to be a mechanism in place for tracking. Commissioner Driscoll replied it is being discussed.

Bill Goslin asked when the County began negotiating for mitigation fees. Commissioner Grandstaff replied June 2007. Discussion followed regarding the options of paying the fees upon first conveyance or prior to final plat and the involvements of the title companies.

Kent Kultgen stated this meeting has provided information needed for requests. He stated a letter from the Planning Department of negotiated mitigation would be appreciated.

Tonia Bloom stated any money is helpful. She stated the larger issue here is what it is being based on. She stated people are paying that tax from when they move in until when their children attend school. Commissioner Grandstaff stated there is a lag time of when the child impacts the school until the taxes are collected. Commissioner Chilcott stated the Board has the responsibility of when the fees are collected to ensure they go to the right fund. Tonia questioned how much has been allocated to each district. She discussed when looking at millions of dollars to construct a building, these mitigation fees don't seem like a lot. Commissioner Grandstaff stated since taking office, school mitigation negotiations have increased.

Roger DeHaan discussed impact fees and how they may create a disparity. He asked when collecting mitigation if impact fees once adopted could be matched. Commissioner Chilcott replied no they are two different things. John Meakin stated it becomes an issue of the value of homes.

Commissioner Chilcott questioned how SRS funding is processed. Ernie Jean replied 75% of the SRS funding goes to offset the mills. He stated the other 25% goes to offset retirement. Commissioner Chilcott stated the funding will decrease. Commissioner Thompson stated the funding goes down 10% every year for the next four years. It is not a payment to the schools. Commissioner Driscoll stated it is a tax relief for taxpayers. It does not go to the schools directly. Ernie Jean stated it is favorable for schools to try for more levies. He stated the mitigation fees need to be researched as to how they can be budgeted for discretionary use. Discussion followed regarding mitigation fee versus impact fee.

Jim Shay stated in Hamilton, they have both the City and the County fees. He stated the City has impact fees and if they want to build, the school district has to pay impact fees. He stated those impact fees are totaling around a million dollars and they would have to put it out to bond. He stated they have a tough time with levies and bonds in Ravalli County. He discussed a current plan for a K-2 school and the impact fees for the City. Commissioner Driscoll stated everyone gets their cut of the pie. The Board has to recognize there is a real cost. Jim stated his concern is a potential backlash from impact fees. Commissioner Grandstaff stated the study would be done by the school districts for the basis of the impact fees.

Tonia stated in Corvallis there is a partial impact fee payable to the sewer districts. She stated if there are impact fees collected and then goes to bond the impact to the taxpayers would be less.

Nick Hallet stated when the new Hamilton High School went in, the taxpayers paid for the extra elbow room. The impact to the taxpayers was to pay for potential growth. He would like to see the ability to pay down a bond with these impact fees. He asked how far ahead you can use impact fees. John Meakin replied there must be documentation of impact fees collected and what they are used for. If you have been collecting impact fees and have them in the kitty, you can use them for expansion but not a new building.

Nick stated \$30,000 for a study is not easy to come by. He asked how much of the tax base for Hamilton which is 45% for them, can the County set the impact fees. John Meakin stated common sense would be a meeting with the City, school district and the County to discuss the fees. Nick asked if the school districts could contact the administration for where the money goes. Commissioner Driscoll stated working cooperatively is the right direction to go for resolution.

Commissioner Grandstaff stated there needs to be a letter drafted from the Board to the school districts upon agreement of mitigation. Ernie Jean stated he will investigate where the money goes upon collection. John Lavey stated the Planning Department will coordinate a draft.

Les Rutledge stated there is data collected by the Planning Board such as emergency vehicle response times that should be discussed at the next Subdivision Review Criteria meeting.

Gary Leese asked on Public Health and Safety issues if bus statistics are considered. Commissioner Driscoll replied she is an advocate for walking paths for safety. Gary stated a cul de sac is not big enough for a bus to turn around. John Lavey replied bus turnouts are being discussed within AASHTO standards. Tristan stated the discussion should take place within criterion six.